Report of Inter-Ministerial Committee on Drug Industry

2603. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Inter-Ministerial Committee set up under the Chairmanship of Secretary, Chemicals and Petro-Chemicals to formulate the strategy and recommend measures to give further impetus to Research and Development in the Drug Industry has submitted its report;

(b) if so, what are its findings and how far these have been accepted;

(c) whether this report is available for sale or for reference purpose; and

(d) if so, the place where it is available and the price thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SHEES RAM OLA): (a) and (b) The Inter-Ministerial Group set up under the Chairmanship of former Secretary (Chemicals and Petro-Chemicals) made the following recommedations to give further impetus to R&D in the Drug sector:

(i) Exemption from Custom duty on capital equipment consumables, bio-logical and necessary spare parts imported for R&D facility.

(ii) MODVAT facility for capital equipment, consumables etc. used by recognised R&D units in the public and private sector.

(iii) Provision for enhanced R&D funding for joint collaborative research.

(iv) On a graded scale, Weighted/ tax deduction in Income Tax for R&D expenses incurred by the company which develops a new drug not introduced elsewhere.

(v) Similar tax reduction on graded scale in Income Tax for R&D conducted in-house with the approval of Department of Scientific and Industrial Research.

In regard to recommendations (i) to (iii) above. Government has since decided to accomodate these to the extent possible within the existing fiscal framework by sorting out problems of adminsitrative nature if any and through preparatory exercises for annual budget.

As regard recommendations at (iv) and (v) above, the Government does not consider it necessary since expenses incurred on R&D are already being allowed.

(c) and (d) The report is not available for sale.

Fall in Agricultural Production

2604. DR. GOPALRAO VITHALRAO PATIL: Will the AGRICULTURE be pleased to state:

(a) the reasons for fall in agricultural production for the year 1995-96, as compared to the previous three years togetherwith crop-wise figures in details;

(b) the efforts being made to supply fertilizers, good seeds and irrigation facilities at reasonable rates so that the farmer gets remunerative prices which are higher than input cost;

(c) the facts taken into consideration to calculate the input costs; and

(d) the measures taken to help arid land cultivators?

THE MINISTER OF AGRICULTURE (SHRI CHATURANAN MISHRA): (a) Crop-wise production of various crops for the last four years is as follows:—